

MT LEGISLATIVE HISTORY

Chapter 326 19 71

Bill (H) 144 S _____

Original bill & hist. ____C

H. Committee on Ways & means

S. Committee on Taxation

Hearing Date(s) Jan 22 ☒ C

Hearing Date(s) Feb 20 ☒ C

Jan 30 ☒ C

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Feb 02 ☒ C

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Date Out _____ C

_____ C

Did this bill originate in an interim committee? ____ Yes ____ No

Committee _____

Report _____

WAYS AND MEANS COMMITTEE

42nd Legislative Assembly

Bill No.	Subject Matter	Date In	Hearing Date	Comments	Date Out	Committee Action	Final Action
HB 144 Fasbender	Provide that the temp. telephone company license tax be made permanent	1/12	1/22	Referred back to committee on 2/1 for further amendments	1/30 2/2	As amended DO PASS AS amended DO PASS	As of 3/4 Enrolling
HB 147 Watt	Provide for the replacement of property taxes on habitable property	1/12	1/28		1/29	Amended and placed 2nd reading without recommendation	KILLED
HB 158 Hall	Increase tax on a barrel of beer	1/13	1/27		2/19	DO NOT PASS	KILLED
HB 222 Watt	Limit the number of Children a taxpayer may claim on income tax	1/5	1/19		1/20	Amended and placed on 2nd reading without recommendation	KILLED
HB 255 Dye	Relating to gasoline license tax providing for a tax of 7¢ per gallon; & provide an effective date	1/18	1/21		1/21	DO PASS	As of 3/4 Governor's Office
SB 17 Moore	To change the time for filing annual reports	1/18	1/21		1/21	CONCURRED IN	Signed by Governor
HB 257 Giesick	Provide for credit against tax on migratory personal property for taxes paid to other states	1/20	1/29		1/29	DO NOT PASS	KILLED

January 22, 1971

WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Walter Ulmer at 9:00 a.m. in the Governor's Reception Room. Roll call showed fourteen members present. (Absent Kolstad)

This being a joint hearing with the Senate Taxation Committee, Chairman Ulmer then welcomed the Senators.

Bills to be considered today are H.B. 140 through 144.

As Rep. Nichols had another hearing to attend, H.B. 143 of which he is principal sponsor was considered first. He merely stated this bill provides that the temporary natural gas tax of .575 of one cent be continued on a permanent basis.

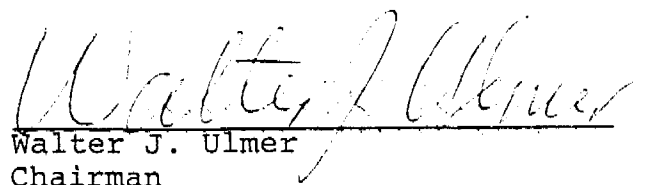
There being no further proponents and no opposition H.B. 140, 141, 142 of which Rep. Christiansen is principal sponsor were next on the agenda. He stated these bills pertaining to gross operating revenue of motor carriers, electrical energy producers tax and metalliferous mines tax respectively all have the same effect as H.B. 143, which provides that the temporary tax be continued on a permanent basis. Mention was made that these particular license taxes had not been reviewed for many years.

As there were no other proponents, Mr. P. L. MacDonald representing the Anaconda Co. testified in opposition of H.B. 142. He felt this was a sales tax and should be repealed. He spoke in detail of the many taxes this industry has to pay and compared Montana, which pays a tax of \$3.45 per pound, with Arizona's \$1.89 and Nevada's \$1.24. Also Montana taxes are excessive compared to Utah. He then gave a breakdown of last year's total net operating expenditures of 210 million dollars.

There was a rather lengthy discussion following Mr. MacDonald's testimony. The main topic of this discussion was the comparisons between the three states mentioned above.

The last bill to be considered this morning was H.B. 144 of which Rep. Fasbender is principal sponsor. He merely stated this bill provides that the temporary telephone company license tax be made permanent.

There being no further business the meeting adjourned.


Walter J. Ulmer
Chairman

The last bill to be considered today was HB 522, of which Rep. Christiansen is principal sponsor. This is a sales tax proposal, which would submit to the voters at the November, 1972, general election the question of whether or not a sales tax should be levied.

Mr. Robert Holding, attorney for the Montana Taxpayers Association spoke in opposition to the bill. He felt that if this is done it should include raising property tax or income tax with the sales tax question.

Rep. Christiansen spoke briefly in rebuttal and urged support. The witnesses were then excused.

Chairman Ulmer stated that HB 140 through 144 had been amended by the State Board of Equalization. Rep. Keller moved HB 140 through 144 DO PASS AS AMENDED. Motion seconded and carried, and the amendments are attached and are a part of these minutes.

There being no further time, Chairman Ulmer stated the committee would meet on adjournment to act on the above bills, and the meeting was adjourned.


Walter J. Ulmer
Chairman

February 2, 1971

WAYS AND MEANS COMMITTEE

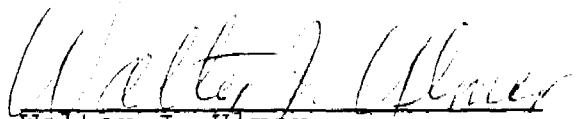
The meeting was called to order at 9:00 a.m. by Chairman Walter Ulmer. Roll call showed all members present.

There being no hearing scheduled for this morning, most of the time was taken up discussing tax philosophies of committee members.

The only business taken up this morning was the action taken on HB 140 through 144. These bills pertain to the various license taxes. All of the bills had been returned to the committee for further amendments, but it was found after consulting with the State Board of Equalization that the only bills which required further amending were HB 140, 141, and 144. These amendments were discussed and the chairman of the subcommittee that had been appointed, Rep. Worden, moved these three bills be reported out of committee DO PASS AS AMENDED. The standing committee reports are attached and form a part of these minutes. He also moved that HB 142 and 143 be reported out DO PASS. These motions were passed unanimously.

Chairman Ulmer stated HB 393 which is a committee bill and a combination of HB 46 and 102 will be referred to another committee.

There being no further business the meeting adjourned.


Walter J. Ulmer
Chairman

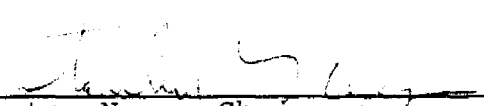
BILL NO.	ENTERED COMM.	COMMITTEE ON <u>TAXATION</u> 1971							
		OUT OF COMM.	DO PASS	DO NOT PASS	DO PASS AS AMENDED	BE CON-CURRED IN	BE CONCURRED IN AS AMENDED	BE NOT CONCURRED IN	
23	1/27	2/6/71				x			s. by Gov
42	1/18	2/16/71					x		
45	2/10	2/24/71				x			
77	1/18	1/28				x			S BY GOV
78	1/18	1/28				x			
79	2/15	2/24					x		
81	2/15	2/25				x			
84	1/26	2/27						x	KILLED
107	1/25	3/2						x	
127	1/22	1/28				x			S BY BOV
128	1/22	1/28				x			S by Gov
129	1/25	2/9				x			S by Gov
140	2/6	2/20					x		
141	2/6	2/20					x		
142	2/6	2.20					x		
143	2/6	2/20					x		
144	2/6	2/20					x		
147	2/12	2/24						x	KILLED
179	1/20	1/28				x			Sig by Gov
181	1/28	2.6/71						x	KILLED
184	128	2/6				x			Sig by Gov
206	2/3	2/18						x	KILLED
261	1/30	2/16				x			S by Gov

February 20, 1971

The committee on taxation met on the above date in room 402 at 9 A.M., and with a quorum present, roll was called and the Chairman, Senator Nees, called for discussion of House Bills 140, 141, 142, 143, and 144, which had been re-referred to the taxation committee, and sent to Kieth Colbo's office for amending. Mr. Corette, Montana Power Lobbyist, was present and stated that he had no objection to the bill in its present condition. Senator McKeon read the bills and the committee felt that the amendments were not what they wanted. It was decided to send the bills back to the office of the budget director, and Senator McKeon and Senator Turnage took them down. They felt that they should strike everything below the enacting clause, put back the original law, and change only those parts that would make the bill permanent rather than temporary.

HOUSE BILLS 140, 141, 142, 143, and 144. A motion was duly made and seconded that these bills be concurred in as amended. Voted and passed.

A motion was made for adjournment.



Senator Nees, Chairman

Exceptions.

Pressure standards
for measurement.

Exemptions.

Effective
immediately.

through a pipeline to a point outside this state during such year, except in connection with the operating of natural gas wells from which the same was extracted or produced, or delivered by such person to any other person for sale; provided that the standard or base pressure to be used in the measurement of such gas so distributed for determining the amount of license tax imposed hereunder, shall be ten (10) ounces above an atmospheric pressure of fourteen (14) and four-tenths (4/10) pounds per square inch, and at a temperature of sixty (60) degrees Fahrenheit, regardless of the atmospheric pressure and temperature at the point of measurement, and all measurements of gas shall be reduced, by computation, to these standards no matter what may have been the pressure and temperature at which gas was actually produced or measured; provided, however, that nothing in this act shall be construed as requiring laborers, employees, hired or employed, by any person to work on or about, or in connection with any natural gas well property or business, to pay such license taxes, nor shall any work required to be done in prospecting, or in developing, or opening up any natural gas property or plant, be deemed to be carrying on of natural gas business, or engaging in the business of working or operating of a natural gas well or plant; provided, further, that if during any such work of developing any natural gas property, any marketable natural gas shall be extracted or produced and sold, then the same shall be deemed the carrying on of a natural gas business of distributing to consumers."

Section 2. This act is effective on its passage and approval.

Approved March 15, 1971.

CHAPTER NO. 326.

An Act to Amend Sections 84-2601 and 84-2602, R.C.M., 1947, to Provide for a Telephone Company License Tax, of One and Seven Hundred Twenty-Five Thousandths Percent (1.725%) of Gross Income in Excess of Two Hundred Fifty Dollars (\$250), and Providing an Effective Date.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. Section 84-2601, R.C.M., 1947, as amended by section 1, chapter 7, extraordinary session, Laws of 1969, is amended to read as follows:

"84-2601. **Annual tax levied on gross income of telephone business.** That on and after the first day of April, 1969, there is hereby levied and shall be collected an annual tax of one and seven hundred twenty-five thousandths percent (1.725%) of the gross income, in excess of two hundred fifty dollars (\$250) quarterly, derived from any telephone business within this state including the transmission of telephone messages in this state, over telephone lines or by microwave electronic equipment, in this state owned by any person, association or corporation; provided, however, that no bill, statement or account rendered or given any customer shall set out or contain, as a separate item, any amount on account or by reason of the license tax imposed by this act. Such annual license tax shall be paid in quarterly installments for the quarters ending respectively March 31, June 30, September 30, and December 31, in each year."

Section 2. Section 84-2602, R.C.M., as amended by section 2, chapter 7, extraordinary session, Laws of 1969, is amended to read as follows:

"84-2602. **Statement and payment on gross income—certain business excluded.** Each and every person, association or corporation liable to tax under this act engaged in carrying on such telephone business in this state shall, within sixty (60) days after the end of each quarter, beginning with the quarter ending June 30, 1969, make out in duplicate and file with the state board of equalization, under oath, a statement in such form as the state board of equalization may require and prescribe, showing the total gross income of such person, association or corporation derived from the telephone business within this state including the transmission of telephone messages originating and terminating within this state, but excluding therefrom the gross income derived from the transmission of telephone messages passing through this state but both originating and terminating outside of this state and from those originating outside of, but terminating within this state and from those originating within but terminating outside of this state during the preceding quarter, and containing such other information as the state board of equalization may require; and

Amending clause.

Annual tax on
gross income of
telephone business
beginning April
1, 1969.Customer
statements.Quarterly
installments.

Amending clause.

Beginning June 30,
1969, quarterly
installments must
be filed.

Form.

Showing of total
gross income.

Payment of tax—
1.725%. shall accompany such statement with the payment to the state board of equalization of a license tax in the amount equal to one and seven hundred twenty-five thousandths percent (1.725%).”

Effective
April 1, 1971.

Section 3. This act is effective on April 1, 1971.

Approved March 15, 1971.

CHAPTER NO. 327

An Act to Amend Section 75-6107, R.C.M. 1947, Providing for Timely Hearing Upon Appeal.

Be it enacted by the Legislative Assembly of the State of Montana:

Amending clause.

Section 1. Section 75-6107, R.C.M. 1947, is amended to read as follows:

Trustees may
dismiss teacher
for cause.

“75-6107. **Dismissal of teacher under contract.** The trustees of any district may dismiss a teacher before the expiration of his employment contract for immorality, unfitness, incompetence, or violation of the adopted policies of such trustees. Any teacher who has been dismissed may *in writing within ten (10) days* appeal such dismissal to the county superintendent; *following such appeal a hearing shall be held within ten (10) days.* If the county superintendent, after a hearing, determines that the dismissal by the trustees was made without good cause, he shall order the trustees to reinstate such teacher and to compensate such teacher at his contract amount for the time lost during the pending of the appeal.”

Appeal within
10 days.

Hearing.

Determination by
county
superintendent.

Approved March 15, 1971.

CHAPTER NO. 328

An Act to Prescribe the Period of Limitations in Which Actions for Professional Negligence can be Commenced.

Be it enacted by the Legislative Assembly of the State of Montana:

Limitations on
actions for
malpractice—three
years.

Section 1. Action for injury or death against a physician or surgeon, dentist, registered nurse, dispensing

optician, optometrist, licensed physical therapist, podiatrist, psychologist, osteopath, chiropractor, clinical laboratory bioanalyst, clinical laboratory technologist, pharmacist, veterinarian, or a licensed hospital as the employer of any such person, based upon such person's alleged professional negligence, or for rendering professional services without consent, or for error or omission in such person's practice, shall be commenced within three (3) years after the date of injury or three (3) years after the plaintiff discovers, or through the use of reasonable diligence should have discovered, the injury whichever occurs last, but in no case may such action be commenced after five (5) years from the date of injury. However, this time limitation shall be tolled for any period during which such person has failed to disclose any act, error, or omission upon which such action is based and which is known to him, or through the use of reasonable diligence subsequent to said act, error or omission would have been known to him.

Maximum—five
years.

Tolled during
failure to disclose.

Approved March 15, 1971.

CHAPTER NO. 329

An Act to Provide for Removal of Elective Officers of Cities and Towns Under a Mayor-Council Form of Government.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. (1) The holder of any elective office under a mayor-council form of municipal government may be removed at any time by the electors qualified to vote. The procedure to effect the removal of an incumbent of an elective office shall be as follows: A petition signed by twenty-five percent (25%) of all qualified electors registered for the last preceding general municipal election, demanding an election for recall of the person sought to be recalled, shall be filed with the city clerk, which petition shall contain a general statement of the grounds for which the removal is sought. The signatures to the petition need not be appended to one paper, but each signer shall add to his signature his place of residence, giving the street and number. One of the signers of such paper shall make oath before an officer com-

Procedure—removal
of elective officer
under mayor-
council government.

Petition—25% of
electors.

Filing with
city clerk.

Signatures.

Oath.